EXHIBIT B

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

Allegiance Telecom of Illinois, Inc.

Petition for Waiver of III. Adm. Code Section 725.500(o) and 725.520(b).

98-0475

ORDER

By the Commission:

On June 19, 1998, Allegiance Telecom of Illinois, Inc. ("Allegiance") filed a petition with the Illinois Commerce Commission ("Commission") seeking a waiver from complying with the requirements of Sections 725.500(o) and 725.620(b) of 83 III. Adm. Code Part 725. In general, these sections require the placement of call boxes outside of a telephone company's central office. The purpose of the call box is to enable the local public safety answer point ("PSAP") located in the area served by the central office to use the call box to receive 9-1-1 calls if the central office is unable to complete calls to the PSAP.

Pursuant to notice as required by law and the rules and regulations of the Commission, this matter was scheduled for hearing before a duly authorized Hearing Examiner at the offices of the Commission in Springfield, Illinois on September 1, 1998. Although Allegiance does not offer service yet, notice of the hearing was served on all of the PSAPs in the areas that Allegiance intends to serve, however, none of the PSAPs entered an appearance. Allegiance was represented by counsel and offered for cross-examination two witnesses: Mr. Charles Wehnes, a Senior Manager for Allegiance whose duties include the establishment of 911 bilting, collection, and administration of agreements with various governmental and public service agencies, and Mr. Richard Anderson, Allegiance's Vice President of Engineering. Mr. Wehnes' Affidavit was entered into the record as Allegiance Exhibit 1 and Mr. Anderson's prepared responses to certain questions from Staff were entered as Allegiance Exhibit 2. Commission Staff ("Staff") entered an appearance at the hearing as well. No other appearances were entered. At the conclusion of the hearing, the record was marked "Heard and Taken." No petitions for leave to intervene were filed in this docket.

Section 725.105 of the Commission's rules defines a call box as a device that is normally mounted to an outside wall of the serving telecommunications carriers' central office which is designed to provide emergency on-site answering by authorized personnel at the central office location in the event a central office is isolated from the PSAP. Section 725.500(o) of the Commission's rules requires each 9-1-1 system to be engineered and provisioned with call boxes to adequately serve a system in the event

the central office is isolated from the control office or selective router. Call boxes shall only be provisioned to central offices and to those remote central offices that have the capability to stand alone and function when severed from the host central office. Section 725.620(b) sets forth certain technical requirements with respect to the call boxes.

Allegiance believes that it is technically infeasible for facilities-based competitive local exchange carriers ("CLECs") such as Allegiance to comply with Sections 725.500(o) and 725.620(b) of the Commission's Standards of Service for 9-1-1 Emergency Systems. Allegiance asserts that the call box requirement is appropriate when applied to incumbent local exchange carriers ("LEC"), who have switching equipment installed in virtually every one of their central offices. Allegiance, however. has only one switch in Illinois that will eventually serve the entire local access transport area in and around Chicago, an area that contains between 200 and 300 PSAPs. In other words, the problem is essentially that the monopoly network architecture contemplated under the existing rules does not match the network architecture that is being deployed by CLECs. At the time the Commission's 9-1-1 rules were promulgated, the monopoly telephone company's central office served a discrete service area within a few miles of the central office. The purpose behind Section 725.500(a) was to enable the PSAP located in the area served by a central office to use the call box to receive 9-1-1 calls if the central office was unable to complete calls to the PSAP. The call boxes are locked, and the key to the call box is provided to the PSAP responsible for the area served by the central office.

In contrast to the network architecture described above. Allegiance has a single switch located at 140 South Dearborn, Suite 220, Chicago, Illinois. The switch in this central office serves all of Allegiance's customers in the Chicago area. Sections 725.500(o) and 725.520(b) of the Commission's rules did not contemplate a single central office serving multiple PSAPs, as Allegiance does today. Thus, while Allegiance can install the call box as required, there is currently no single PSAP responsible for 9-1-1 calls made by Allegiance's customers in the serving area of its downtown Chicago central office. Thus, there is no single entity to whom the key to a call box may be entrusted. Nor is it practicable for a representative from one or more suburban PSAPs to travel downtown to dispatch 9-1-1 calls. If more than one PSAP was isolated from Allegiance's central office, numerous PSAP representatives would be trying to field calls from a single call box.

But even if only one PSAP was isolated from Allegiance's central office and that PSAP had a key to the call box, the call box system would not work effectively. Upon activating the call box, 9-1-1 calls to all of the PSAPs connected to Allegiance would be routed to the call box and not just those calls to the PSAP disconnected from Allegiance's central office. In essence, whichever PSAP activates the call box becomes responsible for directing emergency services to all of the other PSAPs served by Allegiance. These PSAPs may be miles apart and totally unfamiliar with each others emergency services. Deborah Prather, the 9-1-1 Program Director in the Commission's

Consumer Services Division, testified that there was no practical way to re-route calls from the call box to those PSAPs that were still connected to Allegiance's central office.

The Commission notes that in October of 1997, Staff convened workshops in order to address this problem as well as other problems associated with the provision of 9-1-1 services. As of today, no solution has been formulated, although it is anticipated that some resolution of this issue will be reached within the next year. Allegiance has agreed to abide by any changes made to Part 725 with regard to this matter.

Public safety is not threatened in the absence of the call box "back up" system because Allegiance has constructed two physically diverse paths to each PSAP. Each path consists of two trunks. In the event that one of the paths to a PSAP is cut, Allegiance states that calls to that PSAP will automatically be routed along the intact path. Mr. Anderson testified that Allegiance's network is monitored twenty-four hours per day every day of the week both on site and remotely, so Allegiance would know of any problems immediately. Allegiance adds that its switch will be backed up by a 750 kW diesel generator capable of maintaining 24 hours of operation. Allegiance also intends to have an additional four hours of back up battery power. If both paths are out to one or more PSAPs, Allegiance testified that it will notify the primary point of contact within affected 9-1-1 systems and inform them of the situation within 15 minutes in compliance with Section 725.500(p).

Furthermore, Allegiance states that within the City of Chicago, there will be even greater physical diversity for the two 9-1-1 offices identified by Ameritech for Allegiance. Allegiance intends to implement what Ameritech terms "three-way diversity" between its switch and the two 9-1-1 end offices. This means that, in addition to establishing two pairs of physically diverse trunks between Allegiance's switch and the two end offices. Allegiance will also establish additional trunks connecting the two end offices. Accordingly, if the direct connection between Allegiance's switch and one end office is severed, Allegiance will still be able to access that end office through its direct connection with the other end office.

Mr. Anderson also testified, and Ms. Prather agreed, that no other states require a call box, and instead utilize diverse routing as a back-up system. The witnesses added that some states do not even require diverse routing. Ms. Prather further testified that the use of two diverse paths to a PSAP was not a standard practice when the call box requirement was incorporated into Part 725. The general standard among facilities-based carriers at the time the call box requirement was established was to only use one path between the carrier and a PSAP.

Allegiance may obtain a waiver from Sections 725.500(o) and 725.620(b) under the authority of Section 725.101. Section 725.101 provides:

a) A public agency or a telecommunications carrier may file a petition pursuant to III. Adm. Code 200 for a temporary waiver from

compliance with the requirements of Sections 725.500 . . . (o), [and] 725.620(b) . . . if the petitioner alleges that compliance with the provision is either technologically infeasible or that it is financially incapable of complying with the requirement. In determining whether to grant a waiver from a specified requirement, the Commission shall consider the economic impact of compliance, costs and rate consequences (if applicable), and the effect of the waiver on the provision of emergency services.

b) If granted, such waiver will be effective for a period of up to one year from the date of the order granting the waiver. A party seeking an extension of the waiver period must file a separate petition with the Commission. Any extension of the waiver period shall be for no longer than one year. A party may file for and be granted more than one waiver and more than one extension of the waiver period.

83 III. Admin. Code Section 725.101.

Staff recommends that Allegiance's request for waivers of Sections 725,500(o) and 725.620(b) under Section 725.101 be granted. Staff provides several reasons to support its recommendation. First, Staff believes that the call boxes are not a good means of handling 9-1-1 calls when a CLEC's switch is isolated from the selective router in a situation where the territory that the switch covers includes many wire centers, and thus, several 9-1-1 jurisdictions. As technology exists today, there is no way for the switch to distinguish which calls belong to which 9-1-1 jurisdiction. In addition, Staff points out that a call box could be too far away from a particular 9-1-1 system to be utilized in a timely fashion. Staff also relies on its discussions with various 9-1-1 jurisdictions to support its recommendation that the waivers be granted. As mentioned earlier, PSAPs are concerned that if they had to operate a call box such as that in question, they would be unable to determine which PSAP jurisdiction a caller was located in and therefore may not be able to dispatch the appropriate emergency services. Additionally, Staff believes that Allegiance has taken precautions to ensure that isolation risks are minimal. Allegiance has agreed to provide separate facility paths between its central office and the 9-1-1 selective router along with a minimum of two 9-1-1 trunks in each facility path to ensure that the 9-1-1 calls should always get through. Finally, given the potential for revisions to Part 725, including potential revisions to the call box requirements. Staff believes that granting a temporary waiver of the call box requirements is reasonable.

Staff also recommends that Allegiance be required to provide written notification to all current and future 9-1-1 systems that Allegiance is providing local exchange service in those 9-1-1 systems' areas and explain that Allegiance will not be providing a call box pursuant to a temporary waiver granted by the Commission. Staff further suggests that the Commission require Allegiance to always insure that a minimum of

two facility paths between the central office and the 9-1-1 selective router be provided, each a with a minimum of two 9-1-1 trunks. The Commission finds Staff's suggestions appropriate in this matter.

it appears from the record that Allegiance's request for a temporary waiver from complying with Sections 725.500(o) and 725.820(b) of the Commission's rules should be granted. For the reasons set forth in Allegiance's and Staff's testimony, the Commission finds that it is technologically infeasible for Allegiance to comply with the provisions of Section 725.500(o) and Section 725.520(b) of the Commission's rules. The Commission's Staff and the industry should continue to work on a resolution to the problems described in the testimony.

The Commission, being fully advised in the premises, is of the opinion and finds that:

- (1) Allegiance is certificated to provide facilities-based exchange and resold exchange and interexchange telecommunications services throughout the State of Illinois, such authority was granted in Docket No. 97-0570 on May 20, 1998:
- (2) the Commission has jurisdiction over the parties and over the subject matter of this proceeding;
- (3) the recitals set forth in the prefatory portion of this order are supported by the record and are hereby adopted as findings of fact;
- (4) it is technologically infeasible for Allegiance to comply with the provisions of Section 725.500(o) and Section 725.620(b) of the Commission's rules;
- (5) Allegiance should receive a one-year waiver under Section 725.101 from the date of this order from complying with Sections 725.600(o) and 725.620(b);
- (6) Allegiance should be required to inform in writing, within thirty (30) days of the date of this order, those 9-1-1 systems in whose areas it provides service that Allegiance is providing service in their respective areas and that Allegiance will not be providing a call box at its facility in Chicago, Illinois pursuant to a waiver granted by the Commission; Allegiance should also be required to provide the same notice to 9-1-1 systems that it begins to serve in the future;
- (7) upon completing the notification described in Finding (6), Allegiance should provide copies of the written notification to the Commission's 9-1-1 Program Director;

- (8) Allegiance should always insure that a minimum of two facility paths between the central office and the 9-1-1 selective router be provided, each a with a minimum of two 9-1-1 trunks; and
- (9) Allegiance may request an extension of the waiver granted in this order if the revisions to Part 725 are not completed within one year of this order being entered.

IT IS THEREFORE ORDERED that Allegiance Telecom of Illinois, Inc. is hereby granted a waiver from complying with the requirements of Section 725,500(o) and Section 725,620(b) of the Commission rules. This waiver shall be in force for one year from the date this order is entered.

IT IS FURTHER ORDERED that Allegiance Telecom of Illinois, Inc. shall notify in writing those 9-1-1 systems in whose areas it provides service as described in Finding (6).

IT IS FURTHER ORDERED that Allegiance Telecom of Illinois, Inc. shall notify the Commission's 9-1-1 Program Director as described in Finding (7).

IT IS FURTHER ORDERED that Allegiance Telecom of Illinois, Inc. shall adopt practices to notify within fifteen (15) minutes after a confirmed outage, the primary point of contact of any isolated 9-1-1 system pursuant to 83 III. Adm. Code 725.500(p).

IT IS FURTHER ORDERED that Allegiance Telecom of Illinois, Inc. shall always insure that a minimum of two facility paths between the central office and the 9-1-1 selective router be provided, each a with a minimum of two 9-1-1 trunks.

IT IS FURTHER ORDERED that any revisions to Part 725 that become effective within one year from the date this order is entered shall supersede the waivers granted in this order.

IT IS FURTHER ORDERED that subject to the provisions of Section 10-113 of the Public Utilities Act and 83 III. Adm. Code 200.880, this Order is final; it is not subject to the Administrative Review Law.

By order of the Commission this 23rd day of September, 1998.

(SIGNED) RICHARD L. MATHIAS

Chairman

(SEAL)